

SHORT FORM PRE-APPROVAL NOTICE

BMW SETTLEMENT PROGRAM IN QUEBEC NOTICE OF SETTLEMENT APPROVAL HEARING

Superior Court of Quebec File #500-06-000915-187

A proposed Quebec-wide settlement (the "Settlement") has been reached with respect to a class action lawsuit commenced against BMW Canada Inc. ("BMW"). The lawsuit relates to certain BMW Vehicles that were subject to (i) Recall Campaign No. 2017-470 or Recall Campaign No. 2019-170, and/or (ii) Recall Campaign No. 2017-588 or Recall Campaign No. 2019-384. **If you are a Settlement Class Member (defined below), you may qualify for Compensation under the Settlement.** The Court will have a hearing on June 1st, 2021 to decide whether to authorize the class action for settlement purposes and approve the Settlement before any Compensation is paid.

Am I a Settlement Class Member? You are a Settlement Class Member if you were resident of the Province of Quebec and owned or leased a BMW Vehicle subject to (i) Recall Campaign No. 2017-470 or Recall Campaign No. 2019-170, and/or (ii) Recall Campaign No. 2017-588 or Recall Campaign No. 2019-384, including certain BMW 1 Series (models 2008 to 2012), BMW 3 Series (models 2006 to 2011), BMW 5 Series (models 2006 to 2011), BMW X3 (models 2007 to 2011), BMW X5 (models 2007 to 2010) and BMW Z4 (models 2006 to 2011), on the date of the applicable Recall Campaign(s). Despite the foregoing, if you exercise your right to opt out of the Settlement Class, or are otherwise considered among the Excluded Persons (which is generally comprised of BMW and its affiliates, distributors, employees and other related parties, as well as all persons who have previously executed a release of BMW that includes a claim relating to any applicable Recall Campaign(s)), you are not a Settlement Class Member.

What Does the Settlement Provide? Subject to the Court's approval and although BMW denies any wrongdoing or liability, to avoid litigation, BMW has agreed to pay **(a)** the fees, costs and disbursements of Class Counsel that will be approved by the Court, **(b)** the amount of the individual settlement of the Applicant that will be approved by the Court in exchange for a full and final release with regard to her individual claim, as well as **(c)** the following Credit and monetary relief to Settlement Class Members, where applicable: **(1)** all members of the PCV Blow-by Heater Sub-class are entitled to receive a Credit with a cash value of \$40.00 as compensation; **(2)** the members of the PCV Blow-by Heater Sub-class who have suffered an Adverse Thermal Event and had repairs done to their Vehicle which were not insured or repaired free of charge by BMW or a BMW Retailer will be entitled to claim an amount of \$177.00 representing the replacement costs of the PCV Blow-by Heater as well as an amount covering Out-of-Pocket Expenses, up to a maximum of \$750.00; **(3)** the members of the PCV Blow-by Heater Sub-class who had access to inside parking but parked their Vehicle outside as a result of Recall Campaign No. 2017-470 or Recall Campaign No. 2019-170 will be entitled to claim a Credit with a cash value of \$50.00; **(4)** all members of the Blower Regulator Sub-class are entitled to receive a Credit with a cash value of \$40.00 as compensation; and **(5)** the members of the Blower Regulator Sub-class who have suffered an Adverse Thermal Event and had repairs done to their Vehicle which were not insured or repaired free of charge by BMW or a BMW Retailer will be entitled to claim an amount of \$141.00 representing the replacement costs of the Blower Regulator as well as an amount covering Out-of-Pocket Expenses, up to a maximum of \$150.00. An Adverse Thermal Event is any adverse thermal event, including heat generated by a high resistance in the circuit which may cause melting and the potential ignition of mechanical parts and/or fire, caused by overheating of either the PCV Blow-By Heater, as described in Recall Campaign No. 2017-470 or Recall Campaign No. 2019-170, or the Blower Regulator, as described in Recall Campaign No. 2017-588 or Recall Campaign No. 2019-384, of one of the affected Vehicles, which caused material damage to said Vehicle. Out-of-Pocket

Expenses are out-of-pocket expenses incurred by Settlement Class Members for the uninsured repair costs of the Vehicle damaged by an Adverse Thermal Event.

Credits are redeemable for any services, goods and merchandise available at a BMW Retailer in Canada, are freely transferable, are stackable (i.e. multiple Credits can be used together) and shall never expire. The Credit and monetary relief will only be given to one owner or lessee per Vehicle, as defined in the Settlement Class.

What Are My Options? If you are a Settlement Class Member and you do nothing, you will remain in the Settlement Class. You may make a claim for Compensation if the Settlement is approved and you will lose any right in relation to the Released Claims described in the Settlement Agreement. If you do not wish to participate in the Settlement, you may opt out within the Opt-Out Period, which shall end on May 11, 2021, or you may stay in the Settlement Class and object to the Settlement within the Objection Period, which shall end on May 11, 2021, in accordance with the procedures described in the Long Form Pre-Approval Notice. The Opt-out Form and the Claims Form are available on the Settlement Website.

How Do I Claim Compensation? Each Settlement Class Member will have to file a fully completed Claims Form and satisfactory Proof of Eligibility, along with the required declarations, with the Claims Administrator via the Settlement Website within the Claims Period in order to receive Compensation, except for the Credits with a cash value of \$40.00 which will be automatically issued and mailed to each Settlement Class Member at their last known address of residence, as identified from the customer databases maintained by BMW, within sixty (60) days following the date at which the Approval Judgment becomes final. The Claims Period shall begin sixty (60) days and end ninety (90) days after the Approval Judgment becomes final (i.e. the Claims Deadline).

Who Should I Contact for Information? For more information about the Settlement, visit <https://www.QCpcvregsettlement.ca> or contact the Claims Administrator (Collectiva Class Actions Services Inc.) at +1 514 807 2764 (local) or +1 855 807 2764 (toll free – Canada and United States), or Class Counsel (Mtre Joey Zukran, LPC Avocat Inc.) at +1 514 379 1572 or jzukran@lpclex.com.

This is only a summary notice. You may view the Long Form Pre-Approval Notice and Settlement Agreement at: <https://www.QCpcvregsettlement.ca> and <https://www.lpclex.com/bmw-recall>.